

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
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Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
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DIV. OF OIL, GAS & MINING

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 01/02 To (mo./yr.) 12/02
2. DOGM File Number (Mine No): M / 037 / 001
3. Mine Name: Lisbon Mine
4. Mineral(s) Mined (or permitted to mine): Uranium
5. Type of mine Surface Mine or X Underground Mine
6. Legal Description (Location of Lands Affected):
____ 1/4, ____ 1/4, ____ 1/4, Section 21, Township 29S, Range 24E
____ 1/4, ____ 1/4, ____ 1/4, Section _____, Township _____, Range _____
____ 1/4, ____ 1/4, ____ 1/4, Section _____, Township _____, Range _____
7. Name of Operator or Company: Rio Algom Mining LLC
8. Permanent Street Address: La Sal Route
City, State, Zip: Moab, UT 84532
Phone: (435) 686-2217 Fax: (435) 686-2337
9. Company Representative (or designated operator):
Name: Frank Fossey
Title: Radiation Safety Officer
Business Address: P.O. Box 1269
City, State, Zip: Moab, UT 84532
Phone: (435) 686-2217 Fax: (435) 686-2337
Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes No X
2. If no - what was the last year of activity? 1988
3. If yes - how much ore or mineral was mined? N/A

-1-
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3/5/03
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4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.
See Attachment One Item II 4.
5. How much **additional acreage** was disturbed during the past year? Zero
6. How much acreage was **reclaimed** during the past year? Zero
7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.
All of the activities at the Lisbon site during 2002 centered on the groundwater corrective corrective action plan, as approved by the United States Nuclear Regulatory Commission and long term closure issues, also controlled by the NRC. The only issue under the control of the Division of Oil, Gas, and Mining is the final removal of the Shop and Office buildings. This project has been addressed in Rio Algom's final Reclamation plan, which has been submitted to the NRC. As soon as the plan has been approved the Division will be notified.
8. What is the **total disturbed acreage of entire project** at years end? 0.25
9. Briefly summarize any mining and/or reclamation plans for the upcoming year.
Attachment One Item II 9 describes the short and long term plans for the reclamation of this site. This reclamation will be carried out under the authority of the U.S. Nuclear Regulatory Commission.

NOTE: Section III. "Additional Information" applies only to **large mining operations**.

III. Additional Information

1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.
There have been no significant changes to the surface map during this reporting period.
2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Print): Frank Fossey

Title of Operator: Radiation Safety Officer

Signature of Operator: _____

Date: January 31, 2003

ATTACHMENT ONE (Section II)

Item Four

There were no additional surface disturbances at the Lisbon Site during the year 2002. The only earth-moving project involved the additional cover on the out slope of the upper tailings embankment. This area is under the authority of the United States Nuclear Regulatory Commission (USNRC).

Item Eight

At the end of the Year 2002, there was approximately 0.25 acres under the jurisdiction of the Division.

Item Nine

All of the projected reclamation projects for the up coming year and beyond are under the jurisdiction of the USNRC. The planned projects are present here for the information of the Division:

- 2003 Obtain Alternate Concentration Limits for the impacted ground water. When the ACLs are granted the evaporation cells would be allowed to dry with the help of an enhanced evaporation system. When the residues in the cells are stable, they will be covered.
- 2003-2004. The mill site will be re-contoured to NRC approved specifications.
- 2003-2004 Approved Riprap will be placed to control erosion.

RAMC currently holds a 3.226 million-dollar bond to insure the above work will be completed. Attachment Two provides a complete time table for the closure of this site.

ATTACHMENT TWO

Lisbon Reclamation and Closure Schedule Revised Base Case

		FY 2003					FY 2004					FY 2005					FY 2006				
		1	2	3	4	Total	1	2	3	4	Total	1	2	3	4	Total	1	2	3	4	Total
Groundwater																					
Continued Operation of the CAP	Actual & Forwarded	42	42	42	42	168	42	42			84					0					0
Licensing & Review	Actual & Forwarded	11	5	20	20	56	20	20			40					0					0
Stability Period	Actual & Forwarded					0		22	22		44	22	22	22	22	88					0
Closure of Monitor Wells	Actual & Forwarded					0					0					0	50	51			101
Closure of Evaporation Cells	Actual & Forwarded					0					0	50	50	100		200					0
Groundwater Total	Actual & Forwarded	53	47	62	62	397	62	62	22	22	168	72	72	122	22	288	50	51	0	0	101
Tailings Reclamation																					
Approval of Erosion Protection Designs	Actual & Forwarded	10	20	10		40					0					0					0
Closure Activities																					
Site Reclamation	Actual & Forwarded	35	93	35	35	198	35	35	35	35	140	35	35	35	35	140	15	15			30
Rock Purchase & Haul	Actual & Forwarded	0		200	240	440	150				150					0					0
Rock Placement	Actual & Forwarded	0			157	157	156	126	116		398					0					0
Channel Contouring	Actual & Forwarded	0				0	150	202	160		512					0					0
Recl. Sub-Total	Actual & Forwarded	35	93	235	432	795	491	363	311	35	1200	35	35	35	35	140	15	15	0	0	30
Evaporation Cells Rock Plcmt.	Actual & Forwarded					0					0				150	150					0
Site Reclamation																					
Reclamation of Buildings	Actual & Forwarded	17				17					0					0	38	38			76
Fencing	Actual & Forwarded					0					0					0		15			15
Reclamation of Water System	Actual & Forwarded					0					0					0		15			15
Site & Tailings Reclamation Total	Actual & Forwarded	69	123	255	442	889	501	373	311	35	1220	35	45	45	195	320	53	83	0	0	136
License Termination																					
Completion of Section 16 Purchase	Actual & Forwarded	5	168			173					0					0	15				15
Review and Approval of LTSP	Actual & Forwarded					0					0	10	10	10		30					0
DOE Title Review	Actual & Forwarded	7	10	10	10	37	10	10			20					0					0
DOE Handover	Actual & Forwarded					0					0					0	700				700
Qtr. Total	Actual & Forwarded	127	338	317	504		563	435	333	57		107	117	167	217		103	849	0	0	
Running Total	Actual & Forwarded	127	465	782	1286		1849	2284	2617	2674		2781	2898	3065	3282		3385	4234	4234	4234	
Annual Costs	Actual & Forwarded					1286					1388					608					952
OKC Administration	Actual & Forwarded	66	93	93	93	345					471					589					610
Opening Liability	Actual & Forwarded					-3566					-4347					-2629					-1526
Additional Provision	Actual & Forwarded					-2197															
Discount Accretion	Actual & Forwarded					-215					-141					-94					-36
Closing Liability	Actual & Forwarded					-4347					-2629					-1526					0



Rio Algom

Rio Algom Mining Corp.
P.O. Box 1269
Moab, Utah 84532-1269

435.686.2215 tel
435.686.2337 fax
laxtell@hubwest.com

January 31, 2003

Return Receipt Requested 7000 0600 0023 7698 3645

Mr. D. Wayne Hedberg
Permit Supervisor
State of Utah, Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple
Suite 1210
Salt Lake City, Utah 84114-5801

Re: Annual Report (form MR-AR) for 2002

Dear Mr. Hedberg:

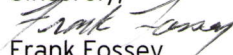
As required by Rules R647-003-116 and R647-004-121 of the Divisions Amended and New Rules, Minerals Reclamation Program, our completed Form MR-AR is enclosed for your records.

RAMC believes that there have been no significant updates to our surface facility map.

Attachment One provides details information on the items in Section 2

If you have any questions or require additional information, please call (435) 686-2217.

Sincerely,


Frank Fossey
Radiation Safety Officer
RAMC- Lisbon Operation

CC. P. Goranson, W/attachments
L. Axtell
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